

*[English]***Tax on Banks/F. Is.**

*491. DR. RAMKRISHNA KUSMARIA: Will the Minister of FINANCE be pleased to state:-

(a) the outstanding amount of income tax against each of Public Sector Banks and Financial Institutions as on March 31, 1996;

(b) the reasons for accumulation of arrears against the above banks and financial institutions; and

(c) the steps taken so far and proposed to be taken to realise the outstanding amount of income-tax?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The Public Sector Banks and Financial Institutions against whom Income-tax demand exceeding rupees one crore remained outstanding as on 31.3.1996, are as under:-

Public Sector Banks

| Sl. No. | Name of the Public Sector Bank | Amount outstanding as on 31.3.1996 (Rs. in crores) |
|---------|--------------------------------|--|
| 1. | Oriental Bank of Commerce | 24.82 |
| 2. | Punjab National bank | 289.36 |
| 3. | Punjab & Sind Bank | 6.43 |
| 4. | State Bank of Travancore | 21.27 |
| 5. | New Bank of India | 6.44 |
| 6. | Bank of India | 65.06 |
| 7. | Dena Bank | 16.30 |
| 8. | Union Bank of India | 23.09 |
| 9. | Syndicate Bank | 32.30 |
| 10. | State Bank of Mysore | 12.01 |
| 11. | Canara Bank | 43.37 |
| 12. | Vijaya bank | 22.79 |
| 13. | United Bank of India | 171.49 |
| 14. | UCO Bank | 35.50 |
| 15. | Allahabad Bank | 14.46 |
| 16. | State Bank of Bikaner & Jaipur | 14.15 |
| 17. | State Bank of Saurashtra | 21.00 |

Financial Institutions

| Sl. No. | Name of the Financial Institution | Amount outstanding as on 31.3.1996 (Rs. in crores) |
|---------|---|--|
| 1. | M/s. I.F.C.I. Ltd. | 8.46 |
| 2. | M/s. I.C.I.C.I. Ltd. | 73.81 |
| 3. | M/s. L.I.C. of India Ltd. | 10.70 |
| 4. | M/s. New India Assurance Co. | 6.16 |
| 5. | M/s. S.C.I.C.I. Ltd. | 11.33 |
| 6. | M/s. I.D.C. of Orissa Ltd. | 6.44 |
| 7. | M/s. West Bengal Industrial Development Corpn. Ltd. | 7.97 |
| 8. | M/s. Kerala State Industrial Development Corpn. Ltd. | 2.40 |
| 9. | M/s. Karnataka State Industrial Investment & Development Corporation Ltd. | 16.31 |
| 10. | M/s. Tamil Nadu Industrial Investment Corpn. Ltd. | 5.40 |
| 11. | M/s. Maharashtra Small Scale Industries Ltd. | 2.01 |
| 12. | M/s. Punjab State Industrial Development Corporation | 1.80 |
| 13. | M/s. Rajasthan Finance Corporation | 2.55 |
| 14. | M/s. Bihar State Credit & Investment Corporation Ltd. | 7.20 |
| 15. | M/s. Bihar State Financial Corporation | 4.91 |

(b) The arrears pertain to cases which have been disputed at various stages of appeal, and in most cases recovery process has been stayed. Since the disposal of such appeals take considerable time, arrears accumulate with completion of subsequent assessments on similar grounds. In the remaining cases, assessments were completed in the month of March, 1996 and consequently demands raised had not fallen due for payment/collection.

(c) Recovery of arrears is an ongoing process. Steps taken for recovery of arrears include issue of show-cause notices and attachment of movable & immovable assets. Where recovery is stayed by Appellate Authorities, steps are

taken to get these vacated. Recovery of arrears, especially in the bigger cases, is closely monitored at all levels.

ADB Loan to Gujarat

*492. DR. A.K. PATEL :
SHRIMATI BHAVNABEN DEVRAJ BHAI
CHIKHALIA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Asian Development Bank has evinced interest in extending loan to the State of Gujarat;

(b) if so, the details thereof; and

(c) the sectors in which this loan is likely to be utilised sectorwise?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). For the present, Asian Development Bank has evinced interest in extending possible loan assistance for the "Gujarat Public Sector Resource Management Programme". The details, including the loan amount will be known after the negotiations are finalised and the agreement is signed.

ADB have agreed in principle to extend Technical Assistance to Government of Gujarat for undertaking studies in the following areas viz., Gujarat Public Sector Resource Management, Gujarat Industrial Investment Corporation, Gujarat State Power Sector.

[Translation]

Investment in Maharashtra from Bank Deposits

*493. SHRI NAMDEO DIWATHE :
PROF. RASA SINGH RAWAT :

Will the Minister of FINANCE be pleased to state :

(a) whether eighteen per cent of the money deposited in nationalised banks in Maharashtra is invested in the State while the Thirty two per cent is invested on projects of national level;

(b) the detailed position in regard thereto, State-wise; and

(c) the steps being taken or proposed to be taken in order to bring Maharashtra and other States at par with the national level and to improve the situation in the country as a whole?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The Reserve Bank of India has

reported that as on 31.3.1996, the outstanding deposits of nationalised banks in Maharashtra were Rs. 44,014 crores and the advances stood at Rs. 34,384 crores, yielding a Credit Deposit Ratio (CDR) of 78.1 percent as compared to 54.2 percent at the all-India level. The CDR in a particular State or region depends not only on the efforts made by the banks but various other factors including the credit absorption capacity, infrastructural support and overall policy framework in the State. The State-wise details is given in the attached Statement.

The Reserve Bank of India had set up Task Forces to ascertain the reasons for low CD ratio in Bihar, Uttar Pradesh, West Bengal, Rajasthan, Kerala and Pondicherry. The Task Forces of all the States have already submitted their reports which have been discussed in the respective State Level Bankers Committees (SLBCs) for implementation of the recommendations. In order to improve the credit absorption capacity, the Task Forces, in general, stressed the need for improving infrastructural facilities, consolidation of land holdings, development of markets, early detection and rehabilitation of sick industrial units, land development, promotion of small scale industries, financing of minor irrigation schemes and allied activities. In respect of States/Union Territories where CD ratio was low and at the same time, specific Task Forces were not constituted, the convenor banks of SLBCs were advised to convene special meetings to discuss and take the appropriate steps to improve the position.

STATEMENT

Credit-Deposit Ratio for Nationalised Banks as at the end of March, 1996

| State/Union Territory | Credit:Deposit Ratio (%) |
|-----------------------|--------------------------|
| Haryana | 42.0 |
| Himachal Pradesh | 25.6 |
| Jammu & Kashmir | 23.4 |
| Punjab | 39.9 |
| Rajasthan | 48.9 |
| Chandigarh | 44.5 |
| Delhi | 50.0 |
| Arunachal Pradesh | 16.5 |
| Assam | 41.3 |
| Manipur | 73.9 |